Grain Transportation Report

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Contents

The next release is Oct. 27, ’05

Ocean Freight Rates Decline. Average ocean freight rates for major grain routes declined during 3rd quarter 2005. The U.S. Gulf to Japan rates declined 30 percent and the Pacific Northwest (PNW) to Japan rates declined 22 percent. The U.S. Gulf to Rotterdam rates declined 35 percent (table 1). These rates compare to 2nd quarter declines of 9, 19 and 11 percent, respectively.

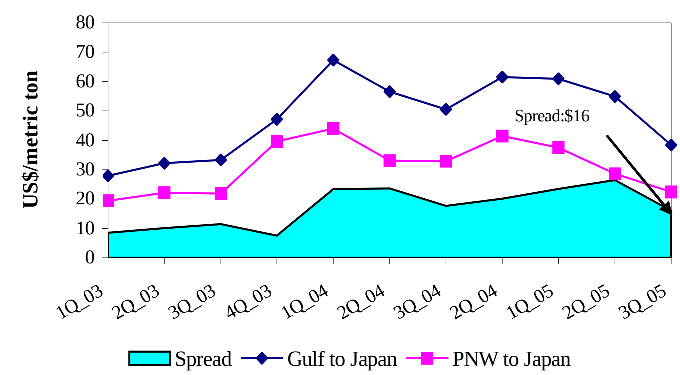
Table 1--Average ocean freight rates declined during 3rd quarter 2005 (See figure 12, p.15)

Route	July.	Aug.	Sept.	July - Sept.	2nd quarter	3rd quarter	2nd - 3rd quarter
		--$/mt--		Percent change		--$/mt--	Percent change
U.S. Gulf to Japan	38.25	36.26	40.62	6	54.95	38.38	-30
PNW to Japan	20.79	21.84	24.53	18	28.58	22.39	-22
Transatlantic	21.55	20.06	22.43	4	32.81	21.34	-35

Source: The Baltic Exchange

The decline in rates followed a slow recovery in trade volumes from the second quarter, traditionally a slow period for the dry bulk sector. PNW to Japan rates began to increase in August. U.S. Gulf to Japan and U.S. Gulf to Rotterdam rates began to increase in September.

Figure 1 -- Grain vessel rates and spread, U.S. to Japan.



Source: The Baltic Exchange

U.S. Gulf and PNW Spread Decreased; Gulf Share of Exports Increased Slightly. The difference (spread) between ocean freight rates from the U.S. Gulf to Japan, and the PNW to Japan decreased during the 3rd quarter of 2005. The spread averaged $16 per mt (figure 1) during the 3rd quarter compared to $26 per mt during the 2nd quarter. The total grain inspected for export declined to 20.5 million mt, compared to 21.7 million mt in the 2nd quarter. The U.S. Gulf share of total exports increased slightly, despite the effects of hurricanes Katrina and Rita (figures 2 and 4).

Figure 2: Grain Inspections by Port, 3rd Quarter 2005

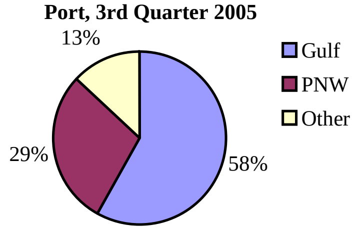
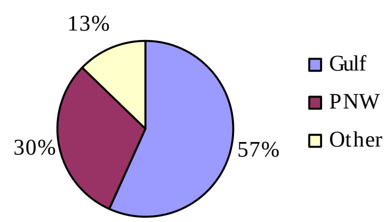


Figure 3-- Grain Inspections by Port, 2nd Quarter 2005



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Grain Transportation Indicators

Table 1--Grain transport cost indicators*

	Truck	Rail**	Barge	Ocean	
Week ending				Gulf	Pacific
10/19/05	211	1057	363	210	180
Compared with last week	**unchanged**	↑	↓	↑	↓

*Indicator: Base year 2000 = 100; Weekly updates include truck = diesel ($/gallon); rail = nearby secondary rail market ($/car); barge = spot Illinois River basis (index = percent of tariff rate); and ocean = routes to Japan ($/metric ton)

**The rail indicator is not an index. It is the difference between the nearby secondary rail market bid for this week and the average bid for year 2000 (+) 100.

Source: Transportation & Marketing Programs/AMS/USDA

Table 2--Market update: U.S. origins to export position price spreads ($/bushel)

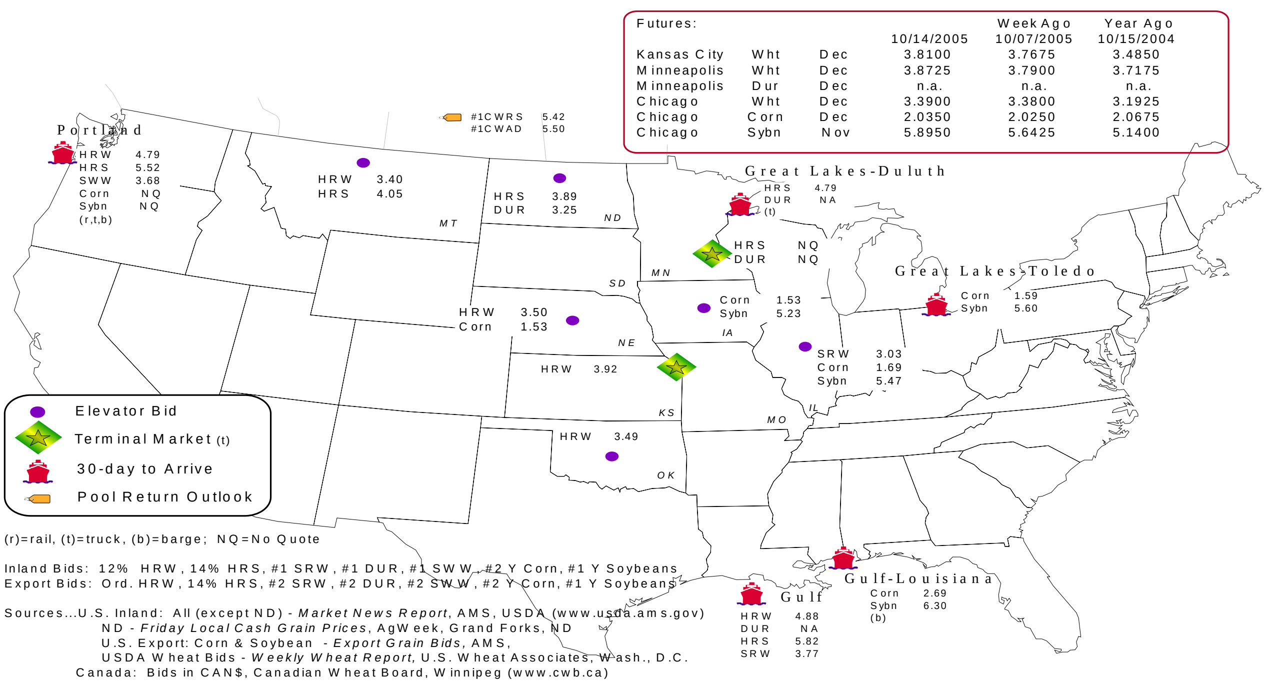
Commodity	Origin--destination	10/14/2005	10/7/2005
Corn	IL--Gulf	-1.00	-0.84
Corn	NE--Gulf	-1.16	-0.98
Soybean	IA--Gulf	-1.07	-1.07
HRW	KS--Gulf	-0.96	-0.89
HRS	ND--Portland	-1.63	-1.48

Note: nq = no quote

Source: Transportation & Marketing Programs/AMS/USDA

The **grain bid summary** illustrates the market relationships for commodities. Positive and negative adjustments in differential between terminal and futures markets, and the relationship to inland market points, are indicators of changes in fundamental market supply and demand. The map may be used to monitor market and time differentials.

Figure 1
Grain bid summary



Rail Transportation

Table 3--Rail deliveries to port (carloads)*

Week ending	Mississippi Gulf	Texas Gulf	Cross-Border Mexico	Pacific Northwest	Atlantic & East Gulf	Total
10/12/2005[p]	156	2,398	2,284	5,851	772	11,461
10/05/2005[r]	19	3,271	1,767	5,019	440	10,516
2005 YTD	8,028	75,705	70,051	173,686	10,280	337,750
2004 YTD	6,872	77,258	47,046	157,880	5,724	294,780
2005 as % of 2004	117	98	149	110	180	115
Total 2004	10,475	92,073	67,992	209,625	10,986	391,151
Total 2003**	14,843	88,194	48,805	157,125	20,509	329,476

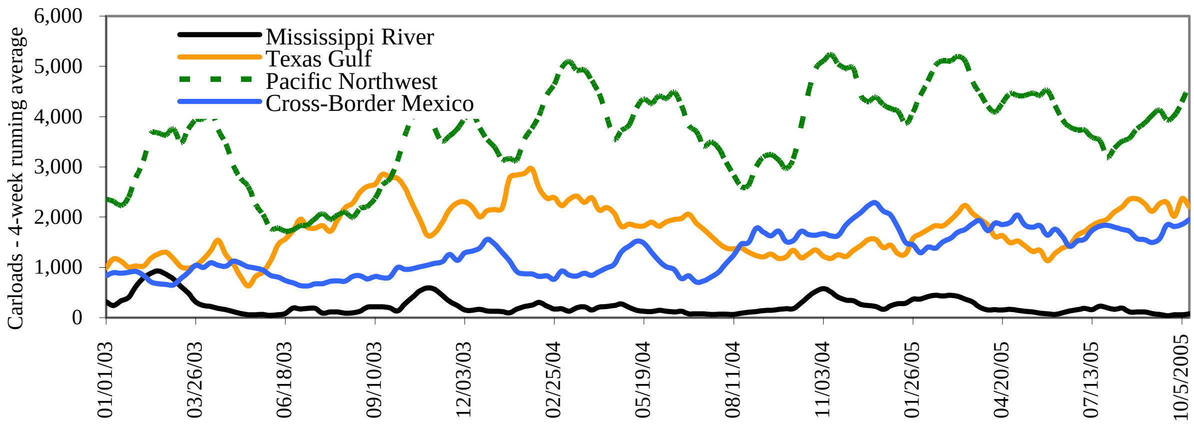
(*) Incomplete Data; as of 9/22/04, Cross-Border movements included; (**) Excludes 53rd week;YTD = year-to-date; p = preliminary data;
r = revised data

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 40 percent of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

Figure 2

Rail deliveries to port



Source: Transportation & Marketing Programs/AMS/USDA

Figure 3

Total weekly U.S. grain car loadings for Class I railroads

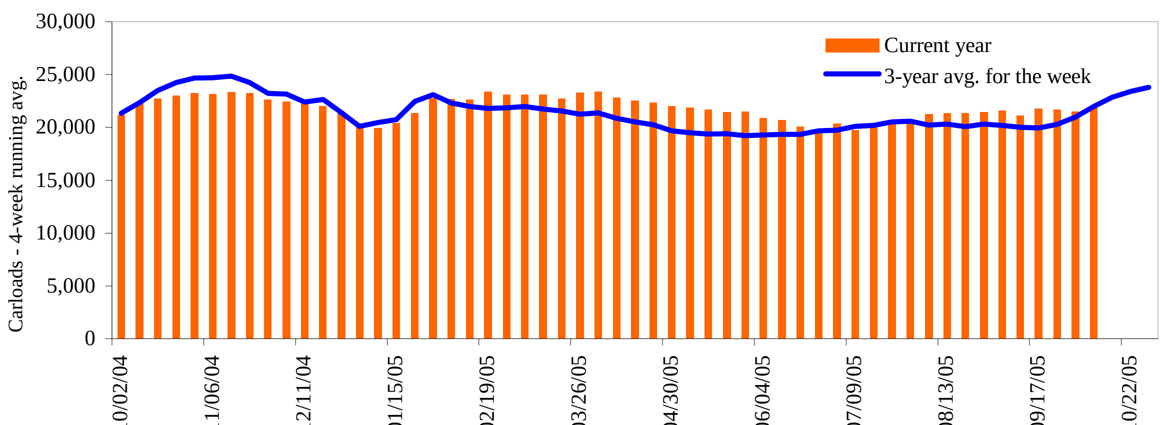


Table 4--Class I rail carrier grain car bulletin (grain carloads originated)

	East		West			U.S. total	Canada	
Week ending	CSXT	NS	BNSF	KCS	UP		CN	CP
10/08/05	3,208	3,583	9,501	296	5,180	21,768	4,838	4,398
This week last year	2,704	3,741	9,753	856	6,396	23,450	4,419	4,958
2005 YTD	115,499	129,219	363,536	22,243	240,167	870,664	166,372	159,750
2004 YTD	107,926	128,711	348,138	20,900	257,083	862,758	180,499	156,792
2005 as % of 2004	107	100	104	106	93	101	92	102
Total 2004	142,206	169,650	458,587	27,618	327,510	1,125,571	237,664	210,060

Source: Association of American Railroads (www.aar.org); YTD = year-to-date

Table 5--Rail car auction offerings*, week ending 10/15/05 ($/car)**

Delivery for:	Nov-05	Dec-05	Jan-06
BNSF[1]			
COT/N. grain	no offer	$529	$385
COT/S. grain	no offer	no offer	no offer
UP[2]			
GCAS/Region 1	no offer	$268	no offer
GCAS/Region 2	no offer	$614	no offer

*Auction offerings are for single-car and unit train shipments only.

**Average premium/discount to tariff, last auction

[1]BNSF - COT = Certificate of Transportation

N includes: ID, MN, MT, ND, OR, SD, WA, WI, WY, and Manitoba, Canada.

S includes: CO, IA, IL, KS, MO, NE, OK, TX, NM, AZ, CA, UT, and NV.

[2]UP - GCAS = Grain Car Allocation System

Region 1 includes: AR, IL, LA, MO, NM, OK, TX, WI, and Duluth, MN.

Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

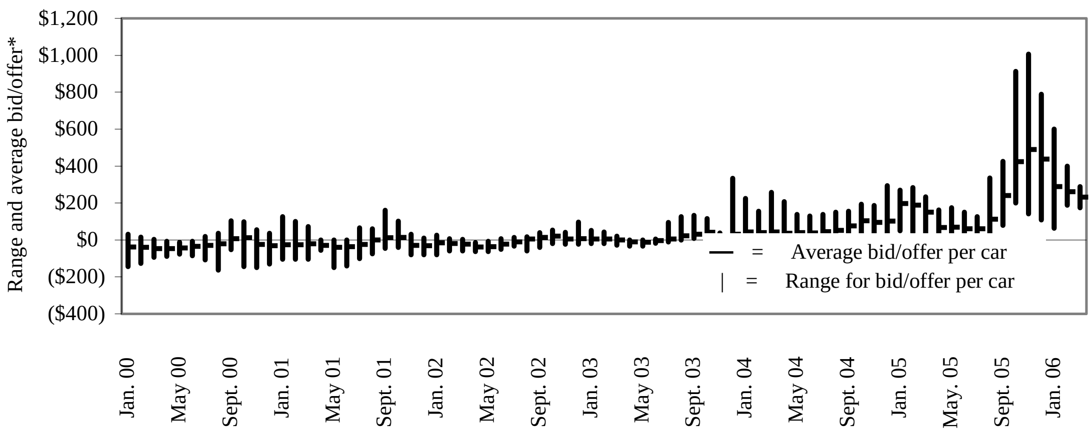
Source: Transportation & Marketing Programs/AMS/USDA

Rail service may be ordered directly from the railroad via **auction** for guaranteed service, or via tariff for nonguaranteed service, or through the secondary railcar market.

The **secondary rail market** information reflects trade values for service that was originally purchased from the railroad carrier as some form of guaranteed freight. The **auction and secondary rail** values are indicators of rail service quality and demand/supply.

Figure 4

Secondary rail car market, delivery month-year



*up to 6 months of trading

Source: Transportation & Marketing Programs/AMS/USDA

Average bid/offer is the simple average of all the weekly bids/offers over the entire period (up to 6 months) for guaranteed railcars that are traded for delivery in a particular month.

Range for bid/offer shows the range of average weekly bids/offers over the entire period (up to 6 months) for guaranteed railcars that are traded for delivery in a particular month.

Table 6--Weekly secondary rail car market, week ending 10/15/05 ($/car)*

	Delivery period			
	Nov-05	**Dec-05**	**Jan-06**	**Feb-06**
BNSF-GF	$1,006	$788	$350	$375
Change from last week	$339	$238	-$250	-$25
UP-Pool	$917	$767	n/a	n/a
Change from last week	$367	$267	n/a	n/a

*Average premium/discount to tariff, $/car-last week

Note: Bids listed are market INDICATORS only & are NOT guaranteed prices,

Missing value = no bid quoted; GF = guaranteed freight; Pool = guaranteed pool

Sources: Transportation and Marketing Programs/AMS/USDA

Data from Atwood/ConAgra, Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.

Table 7--Tariff rail rates for unit and shuttle train shipments*

Effective date: 10/3/2005	Origin Region	Destination Region	Rate/car	Rate/metric ton	Rate/bushel**
Unit train*					
Wheat	Chicago, IL	Albany, NY	$1,861	$20.51	$0.56
	Kansas City, MO	Galveston, TX	$2,020	$22.27	$0.61
	South Central, KS	Galveston, TX	$2,450	$27.01	$0.74
	Minneapolis, MN	Houston, TX	$2,420	$26.68	$0.73
	St. Louis, MO	Houston, TX	$2,360	$26.01	$0.71
	South Central, ND	Houston, TX	$4,117	$45.38	$1.24
	Minneapolis, MN	Portland, OR	$3,848	$42.42	$1.15
	South Central, ND	Portland, OR	$3,841	$42.34	$1.15
	Northwest, KS	Portland, OR	$4,490	$49.49	$1.35
	Chicago, IL	Richmond, VA	$2,161	$23.82	$0.65
Corn	Chicago, IL	Baton Rouge, LA	$2,610	$28.77	$0.73
	Council Bluffs, IA	Baton Rouge, LA	$2,471	$27.24	$0.69
	Kansas City, MO	Dalhart, TX	$1,965	$21.66	$0.55
	Minneapolis, MN	Portland, OR	$3,720	$41.01	$1.04
	Evansville, IN	Raleigh, NC	$1,961	$21.62	$0.55
	Columbus, OH	Raleigh, NC	$1,850	$20.39	$0.52
	Council,Bluffs, IA	Stockton, CA	$3,606	$39.75	$1.01
Soybeans	Chicago, IL	Baton Rouge, LA	$2,655	$29.27	$0.80
	Council Bluffs, IA	Baton Rouge, LA	$2,515	$27.72	$0.75
	Minneapolis, MN	Portland, OR	$3,610	$39.79	$1.08
	Evansville, IN	Raleigh, NC	$1,961	$21.62	$0.59
	Chicago, IL	Raleigh, NC	$2,561	$28.23	$0.77
Shuttle Train*					
Wheat	St. Louis, MO	Houston, TX	$1,820	$20.06	$0.55
	Minneapolis, MN	Portland, OR	$3,898	$42.97	$1.17
Corn	Fremont, NE	Houston, TX	$2,304	$25.40	$0.65
	Minneapolis, MN	Portland, OR	$3,024	$33.33	$0.85
Soybeans	Council Bluffs, IA	Houston, TX	$2,785	$30.70	$0.84
	Minneapolis, MN	Portland, OR	$3,410	$37.59	$1.02

*A unit train refers to shipments of at least 52 cars. Shuttle train rates are available for qualified shipments of more than 100 cars that meet railroad efficiency requirements.

**Approximate load per car = 100 short tons: corn 56 lbs./bu., wheat & soybeans 60 lbs./bu.

Sources: www.bnsf.com, www.cpr.ca, www.csx.com, www.uprr.com

Table 8--Tariff rail rates for U.S. bulk grain shipments to Mexico, 2005

Effective date: 10/03/05

Commodity	Origin State	Border crossing region	Train size	Rate[1]	Rate/metric ton	Rate/bushel**
Wheat	KS	Brownsville, TX	Shuttle	$2,851	$29.13	$0.79
	ND	Eagle Pass, TX	Unit	$4,004	$40.91	$1.11
	OK	El Paso, TX	Shuttle	$2,264	$23.13	$0.63
	OK	El Paso, TX	Unit	$2,432	$24.85	$0.68
	AR	Laredo, TX	Unit	$2,383	$24.35	$0.66
	IL	Laredo, TX	Unit	$3,188	$32.57	$0.89
	MT	Laredo, TX	Shuttle	$4,298*	$43.92	$1.19
	TX	Laredo, TX	Shuttle	$2,165	$22.12	$0.60
	MO	Laredo, TX	Shuttle	$2,731	$27.90	$0.76
	WI	Laredo, TX	Unit	$3,405	$34.79	$0.95
Corn	NE	Brownsville, TX	Shuttle	$3,214	$32.84	$0.83
	NE	Brownsville, TX	Unit	$3,645*	$37.24	$0.95
	IA	Eagle Pass, TX	Unit	$3,444	$35.19	$0.89
	MO	Eagle Pass, TX	Shuttle	$3,040*	$31.06	$0.79
	NE	Eagle Pass, TX	Shuttle	$3,440*	$35.15	$0.89
	IA	Laredo, TX	Shuttle	$3,367	$34.40	$0.87
Soybean	IA	Brownsville, TX	Shuttle	$2,989	$30.54	$0.83
	MN	Brownsville, TX	Shuttle	$3,285	$33.56	$0.91
	NE	Brownsville, TX	Shuttle	$2,798	$28.59	$0.78
	NE	Eagle Pass, TX	Shuttle	$2,874	$29.37	$0.80
	IA	Laredo, TX	Unit	$3,028	$30.94	$0.84

A unit train refers to shipments of at least 52 cars. Shuttle train are available for qualified shipments of more than 100 cars that meet railroad efficiency requirements.

[1]Rates are based upon published tariff rates for high-capacity rail cars.

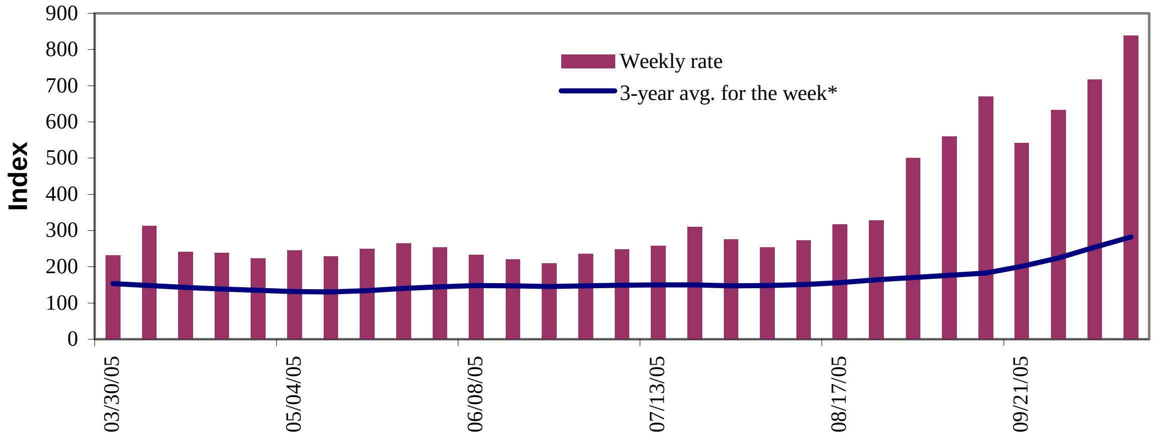
*High-capacity rate not available, rate estimated using published low-capacity tariff rate x 1.08

**Approximate load per car = 97.87 metric tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

Sources: www.bnsf.com, www.uprr.com

Barge Transportation

Figure 5
Illinois River barge rate index - quotes



Note: Index = percent of tariff rate; *4-week moving average
Source: Transportation & Marketing Programs/AMS/USDA

The **Illinois River barge rate index** averaged 183 percent of the **benchmark tariff rates** between 1999 and 2001, based on weekly market quotes. The **index**, along with **rate quotes** and **futures market** bids are indicators of grain transport supply and demand.

Table 9--Barge rate quotes: southbound barge freight

Location	10/12/2005	10/5/2005	Nov. '05	Jan. '06
Twin Cities	673	593	580	n/a
Mid-Mississippi	804	658	542	n/a
Illinois River	838	717	523	407
St. Louis	921	771	480	354
Lower Ohio	850	825	510	368
Cairo-Memphis	829	787	470	336

Index = percent of tariff, based on 1976 tariff benchmark rate
Source: Transportation & Marketing Programs/AMS/USDA

Calculating barge rate per ton:
(Index * 1976 tariff benchmark rate per ton)/100

Select applicable index from market quotes included in tables on this page. The 1976 benchmark rates per ton are provided in map (see figure 6).

Note: The Illinois barge rate is for Beardstown, IL, La Grange Lock & Dam (L&D 8).

Figure 6
Benchmark tariff rates

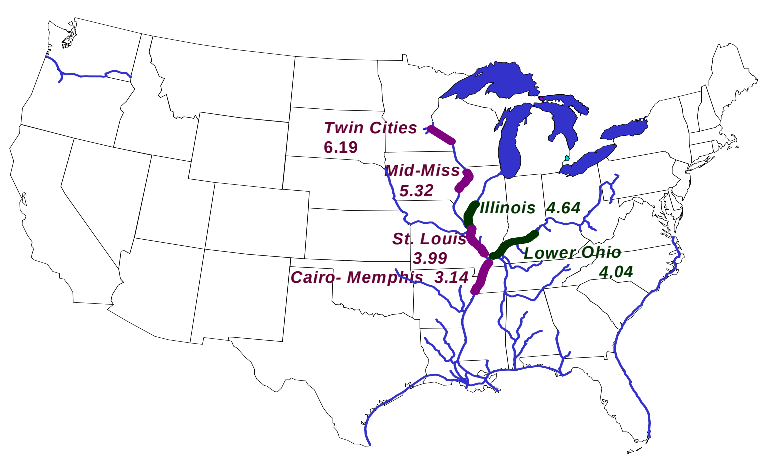
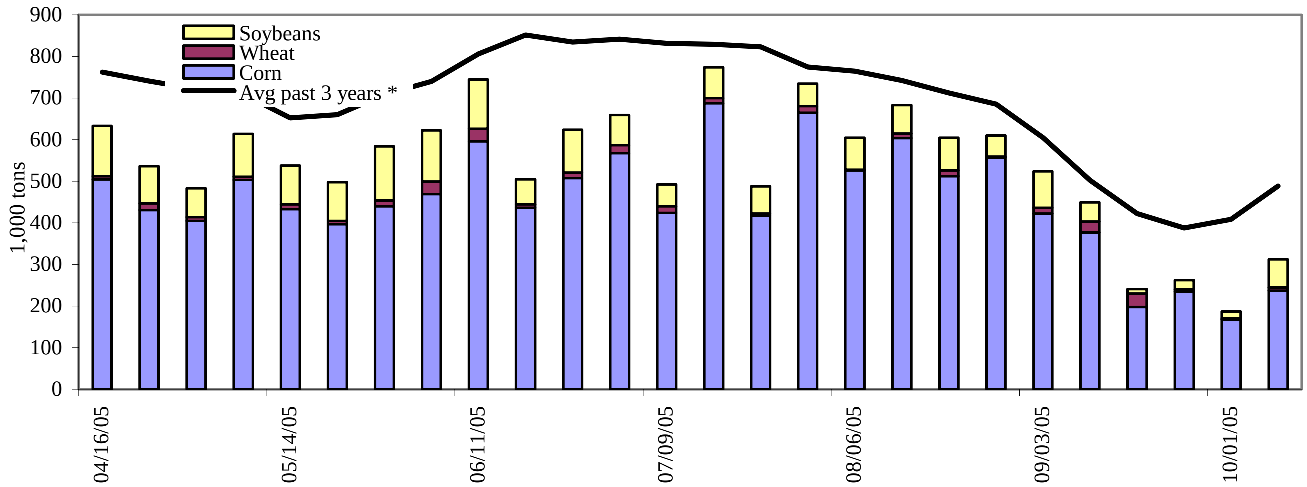


Figure 7

Barge movements on the Mississippi River (Locks 27 - Granite City, IL)



* 4-week moving average

Source: Transportation & Marketing Programs/AMS/USDA

Table 10--Barge grain movements (1,000 tons)

Week ending 10/08/2005	**Corn**	**Wheat**	**Soybean**	**Other**	**Total**
Mississippi River					
Rock Island, IL (L15)	52	0	45	2	99
Winfield, MO (L25)	116	0	61	3	180
Alton, IL (L26)	254	5	87	3	349
Granite City, IL (L27)	237	8	67	3	315
Illinois River (L8)	68	2	15	0	85
Ohio River (L52)	102	2	15	0	119
Arkansas River (L1)	0	3	10	7	20
2005 YTD	18,125	1,390	4,889	546	24,950
2004 YTD	19,383	2,330	3,266	584	25,563
2005 as % of 2004 YTD	94	60	150	93	98
Total 2004	26,235	2,701	6,784	843	36,563

YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

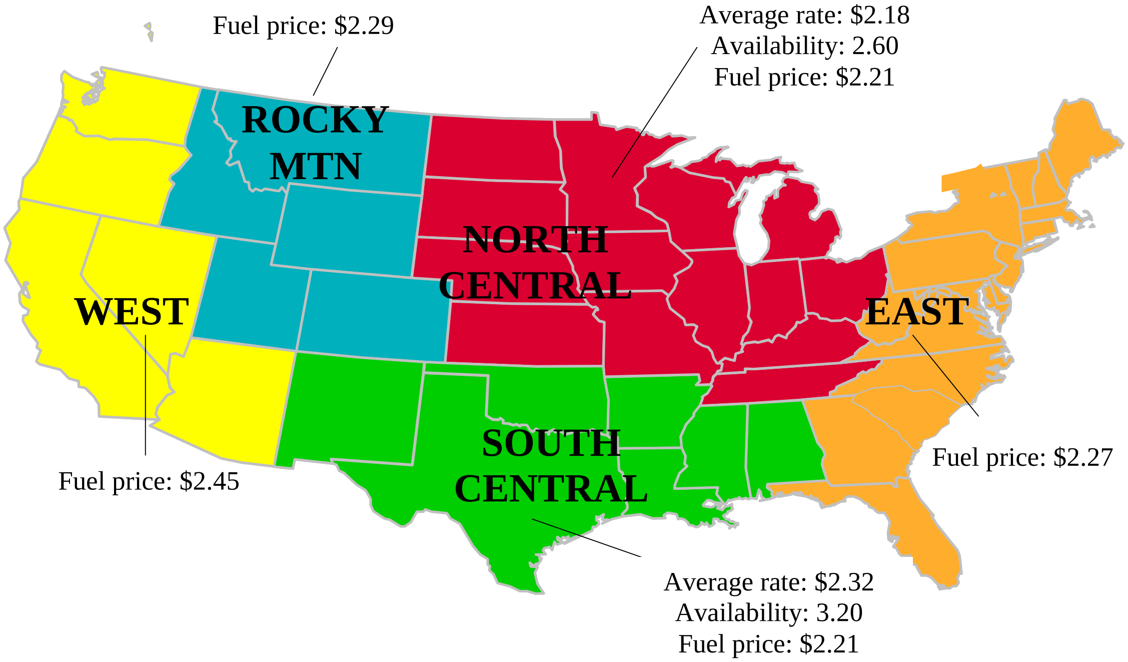
Source: U.S. Army Corp of Engineers (www.mvr.usace.army.mil/mvrimi/omni/webrpts/default.asp)

Note: Total may not add exactly, due to rounding

Truck Transportation

Figure 8

U.S. grain truck market advisory, 2nd quarter 2005*



*Average rate per loaded mile, based on truck rates for trips of 25, 100, and 200 miles

Note: Fuel prices are a quarterly average (unit per gallon)

Fuel price data source: Energy Information Administration, U.S. Department of Energy, www.eia.doe.gov

Table 11--U.S. grain truck market overview, 2nd quarter 2005

Region/commodity*	25 miles	100 miles	200 miles	Truck availability	Truck activity	Future truck activity
				Rating compared to same quarter last year		
	Rate per mile			1=Very easy to 5=Very difficult	1=Much lower to 5=Much higher	
National average[1]	**3.03**	**2.10**	**1.75**	**2.8**	**2.9**	**3.3**
North Central region[2]	3.00	1.95	1.59	2.6	3.1	3.3
Corn	3.08	2.47	1.87	2.0	3.3	3.5
Wheat	2.49	1.88	1.50	2.9	3.0	3.3
Soybean	3.08	2.47	1.87	2.0	3.3	3.5
South Central region[2]	2.89	2.18	1.88	3.2	2.2	2.8
Corn	2.60	1.96	1.78	3.3	2.3	2.8
Wheat	2.56	1.99	1.68	3.3	2.7	3.2
Soybean	3.87	2.49	2.18	3.0	2.0	2.8

Rates are based on trucks with 80,000 lb gross vehicle weight limit

*Commodity averages based on truck rates for top producing states based on National Agricultural Statistics Service/USDA

[1]National average includes: AR, CO, IA, IL, IN, KS, LA, MN, MS, ND, NE, OH, OK, OR, SD, TX, and WA.

[2]Commodity rates per mile include the average of the top 3 producing states within the region.

Source: Transportation and Marketing Programs/AMS/USDA

The **weekly diesel price** provides a proxy for trends in U.S. truck rates. Diesel fuel is a significant expense for truck grain movements, accounting for 37 percent of the estimated variable cost.

Table 12--Retail on-highway diesel prices*, week ending 10/17/05 (US$/gallon)

			Change from	
Region	**Location**	**Price**	**Week ago**	**Year ago**
I	East Coast	3.116	-0.044	0.937
	New England	2.913	-0.034	0.623
	Central Atlantic	2.966	-0.024	0.699
	Lower Atlantic	3.199	-0.053	1.068
II	Midwest	3.144	0.021	0.983
III	Gulf Coast	3.177	-0.005	1.062
IV	Rocky Mountain	3.178	0.035	0.959
V	West Coast	3.178	0.011	0.841
	California	3.210	-0.030	0.816
Total	U.S.	3.148	-0.002	0.968

*Diesel fuel prices include all taxes.

Source: Energy Information Administration/U.S. Department of Energy (www.eia.doe.gov)

Grain Exports

Table 13--U.S. export balances (1,000 metric tons)

	Wheat						Corn	Soybeans	Total
Week ending 1/	HRW	SRW	HRS	SWW	DUR	All wheat			
10/6/2005	2,469	298	1,158	800	84	4,809	7,645	6,096	18,550
This week year ago	1,775	623	1,336	1,068	69	4,870	7,934	8,694	21,498
Cumulative exports-crop year 2/									
2005/06 YTD	3,910	872	2,950	1,251	304	9,286	4,112	1,134	14,532
2004/05 YTD	3,683	1,765	3,090	1,786	251	10,574	4,758	1,681	17,013
2005/06 as % of 2004/05	106	49	95	70	121	88	86	67	85
2004/05 Total	9,407	3,217	8,083	4,773	686	26,117	44,953	29,878	100,948
2003/04 Total	12,697	3,785	6,928	4,895	1,053	29,359	47,704	24,108	101,171

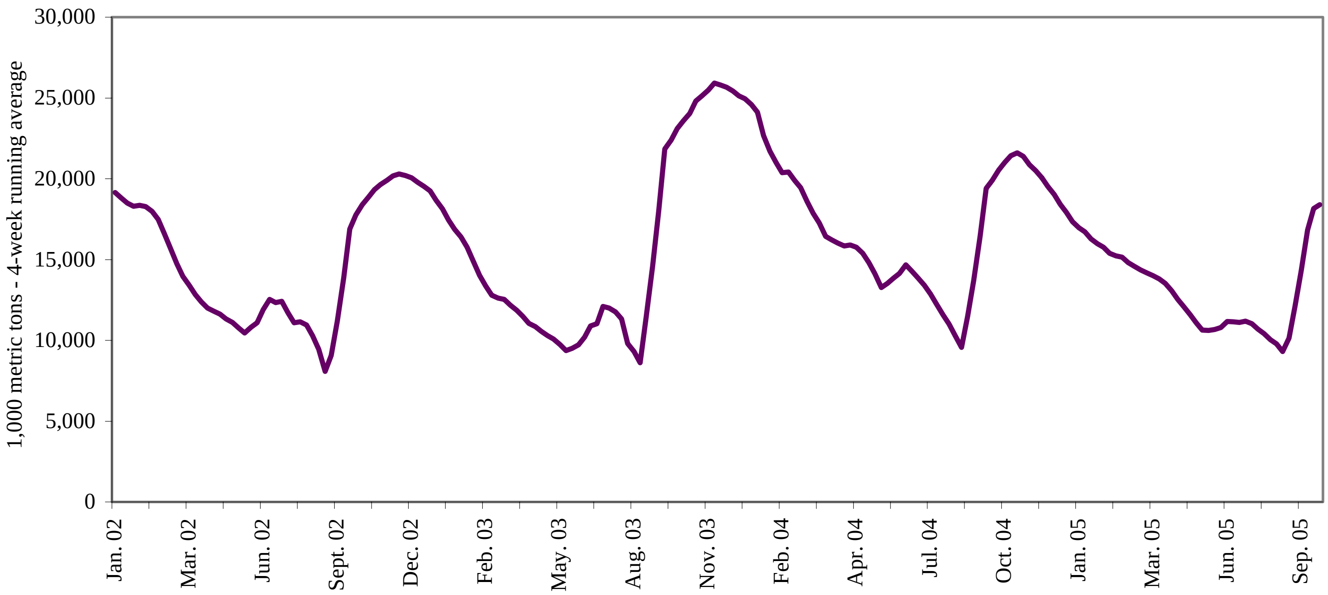
Note: YTD = year-to-date. Crop year: wheat = 6/01-5/31, corn & soybeans = 9/01-8/31, 1/ = Current unshipped export sales to date

2/ = Shipped export sales to date

Source: Foreign Agricultural Service/USDA (www.fas.usda.gov)

Figure 9

U.S. grain, unshipped export balance, including wheat, corn, and soybean sales



Source: Foreign Agricultural Service/USDA (www.fas.usda.gov)

Table 14--Select U.S. port regions - grain inspections for export (1,000 metric tons)

	Pacific Region			Mississippi Gulf			Texas Gulf			Port Region total		
Week ending	Wheat	Corn	Soybeans	Wheat	Corn	Soybeans	Wheat	Corn	Soybeans	Pacific	Mississippi	Texas
10/13/05	122	104	250	92	843	457	205	20	6	476	1,393	231
2005 YTD	7,676	8,055	3,969	3,874	21,383	10,049	5,637	525	12	19,701	35,306	6,174
2004 YTD	9,447	8,194	1,954	5,954	25,110	8,021	6,577	51	18	19,595	39,085	6,647
2005 as % of 2004	81	98	203	65	85	125	86	1,023	67	101	90	93
2004 Total *	12,121	9,741	4,753	7,154	32,851	15,540	7,936	131	23	26,615	55,546	8,089

Source: Federal Grain Inspection Service/USDA (www.usda.gov/gipsa); YTD: year-to-date; * includes 53rd week

The United States exports approximately one-quarter of the grain it produces. On average, it includes nearly 45 percent of U.S.-grown wheat, 35 percent of U.S.-grown soybeans, and 20 percent of the U.S.-grown corn. Approximately 55 percent of these U.S. export grain shipments departed through the Mississippi Gulf region in 2004.

Figure 10

U.S. grain inspected for export (wheat, corn, and soybeans)

Source: Federal Grain Inspection Service/USDA (www.usda.gov/gipsa)

Ocean Transportation

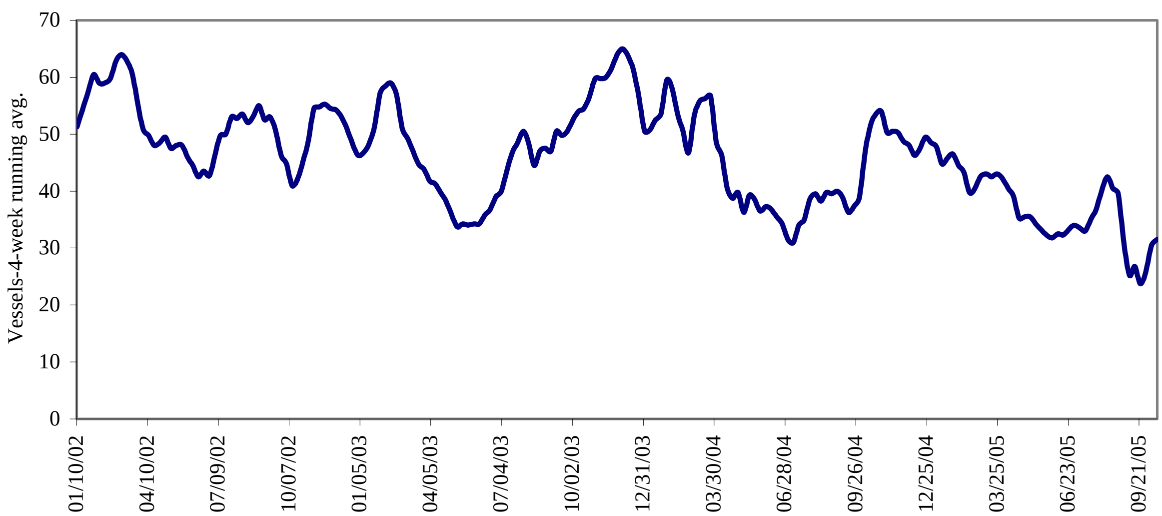
Table 15--Weekly port region grain ocean vessel activity (number of vessels)

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
10/13/2005	42	49	57	12	7
10/6/2005	57	35	66	14	6
2004 range	(10..43)	(25..73)	(38..96)	(4..16)	(0..18)
2004 avg.	24	45	61	9	6

Source: Transportation & Marketing Programs/AMS/USDA

Figure 11

Gulf Port grain vessel loading (past 7 days)



Source: Transportation & Marketing Programs/AMS/USDA

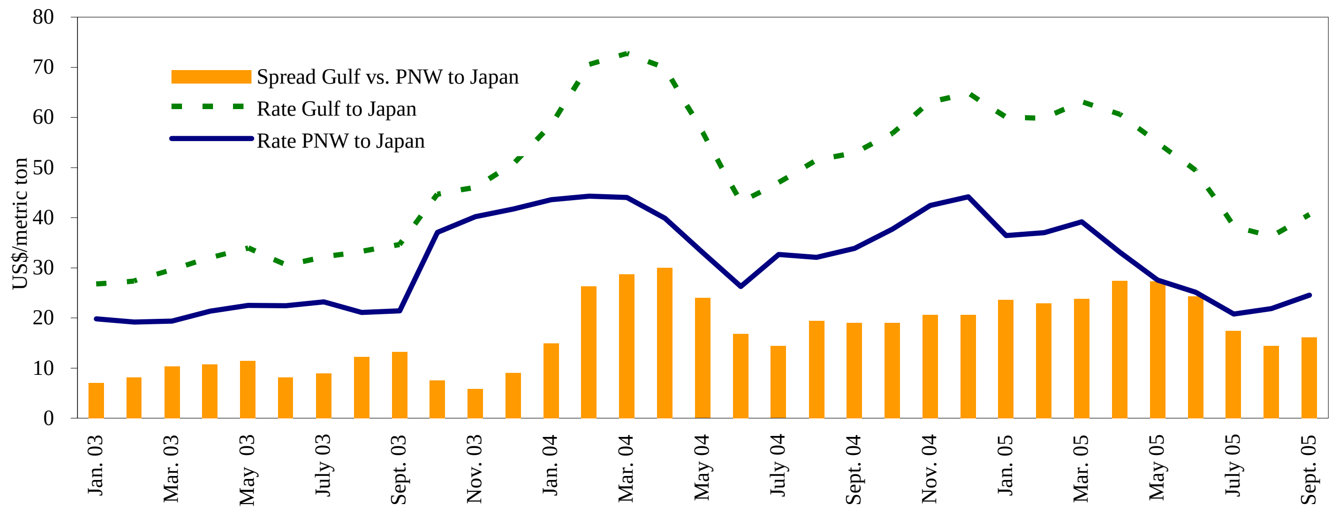
Table 16--Quarterly ocean freight rates (average rates & percentage changes) (US$/metric ton)

Countries/ regions	2005 3rd qtr	2004 3rd qtr	Percent change	Countries/ regions	2005 3rd qtr	2004 3rd qtr	Percent change
Gulf to				**Pacific NW to**			
Japan	36.33	50.08	-27	Japan	---	37.00	---
China		54.00	---	**Argentina/Brazil to**			
Taiwan	---	---	---	China	32.00		
N. Africa	24.25	---	---	N. Africa	40.00	---	---
Med. Sea	---	---	---	Turkey	25.00	---	

Source: Maritime Research, Inc. (www.maritime-research.com)

Figure 12

Grain vessel rates, U.S. to Japan



Source: Baltic Exchange (www.balticexchange.com)

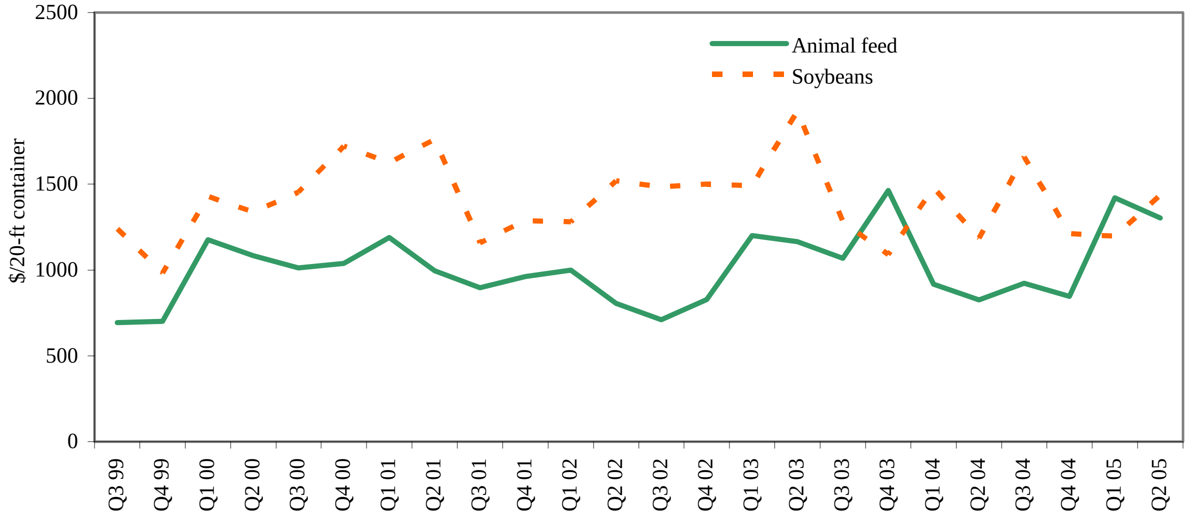
Table 17--Ocean freight rates for selected shipments, week ending 10/15/05

Export region	Import region	Grain	Month	Volume loads (metric tons)	Freight rate ($/metric ton)
U.S. Gulf	Nigeria*	Soybean	Oct 20/Nov 3	9,000	90.00
U.S. Gulf	Japan	Hvy Grain	Oct 1/15	44,000	46.00
U.S. Gulf	Japan	Hvy Grain	Nov 1/5	54,000	47.50
U.S. Gulf	Libya or Sudan	Sorghum	Sept 25/Oct 5	21,410	48.22
U.S. Gulf	Algeria	Wheat	Sept 27/30	25,000	32.50
U.S. Gulf	Morocco	Hvy Grain	Oct 1/20	30,000	31.00
River Plate	Spain	Hvy Grain	Oct 10/20	55,000	39.00
River Plate	Algeria	Hvy Grain	Oct 1/15	20,000	46.00
Russia	Pakistan	Hvy Grain	Oct 15/20	55,000	32.50

Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option
*75 percent of food aid from the United States is required to be shipped on U.S. flag vessels. The vessels are limited in availability resulting in higher rates. In addition, destinations receiving food aid generally lack adequate port unloading facilities, requiring the vessel to remain in port for a longer duration than normal.
Source: Maritime Research Inc. (www.maritime-research.com)

Figure 13

Weighted average rates[1] for containerized shipments of animal feed and soybeans to selected Asian countries



[1]Animal Feed: Busan-Korea (13%), Kaohsiung-Taiwan (41%), Tokyo-Japan (30%), Hong Kong (11%), Bangkok-Thailand (5%) and soybeans: Busan-Korea (1%), Keelung-Taiwan (85%), Tokyo-Japan (11%), Bangkok-Thailand (3%), Hong Kong (1%)

Quarter 2, 2005.

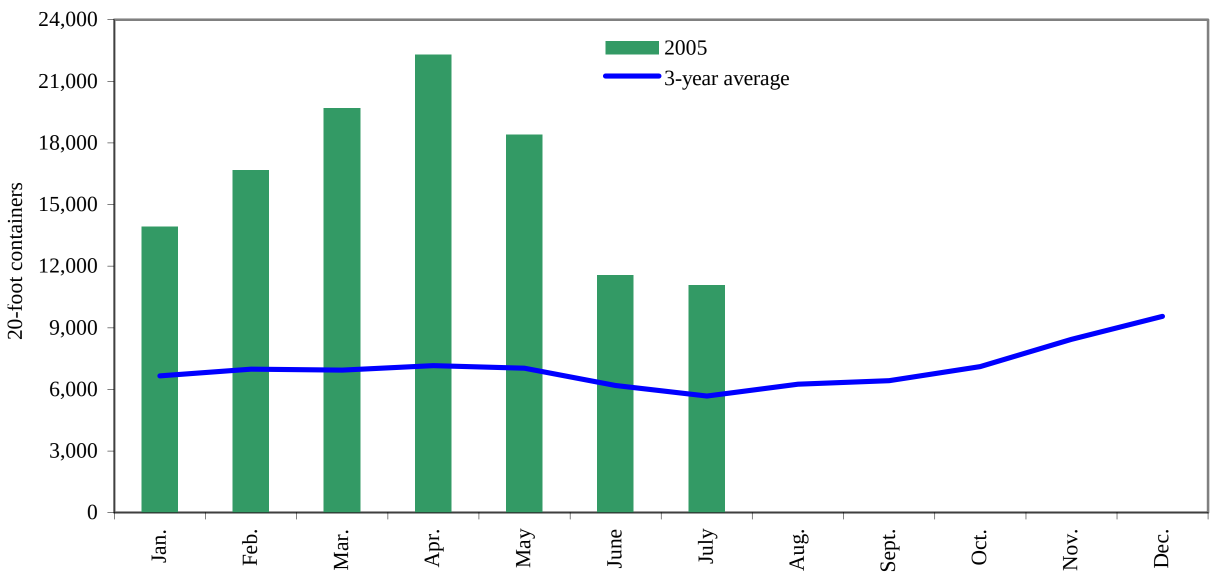
Source: Ocean Rate Bulletin, Transportation & Marketing Programs/AMS/USDA

Container ocean freight rates – average rate per twenty-foot equivalent unit (TEU) weighted by shipping line market share and trade route.

During 2004, containers were used to transport 2 percent of total U.S. grain exported, and 3 percent of total U.S. grain exported to Asia.

Figure 14

Monthly shipments of containerized grain to Asia for 2005 compared with a 3-year average

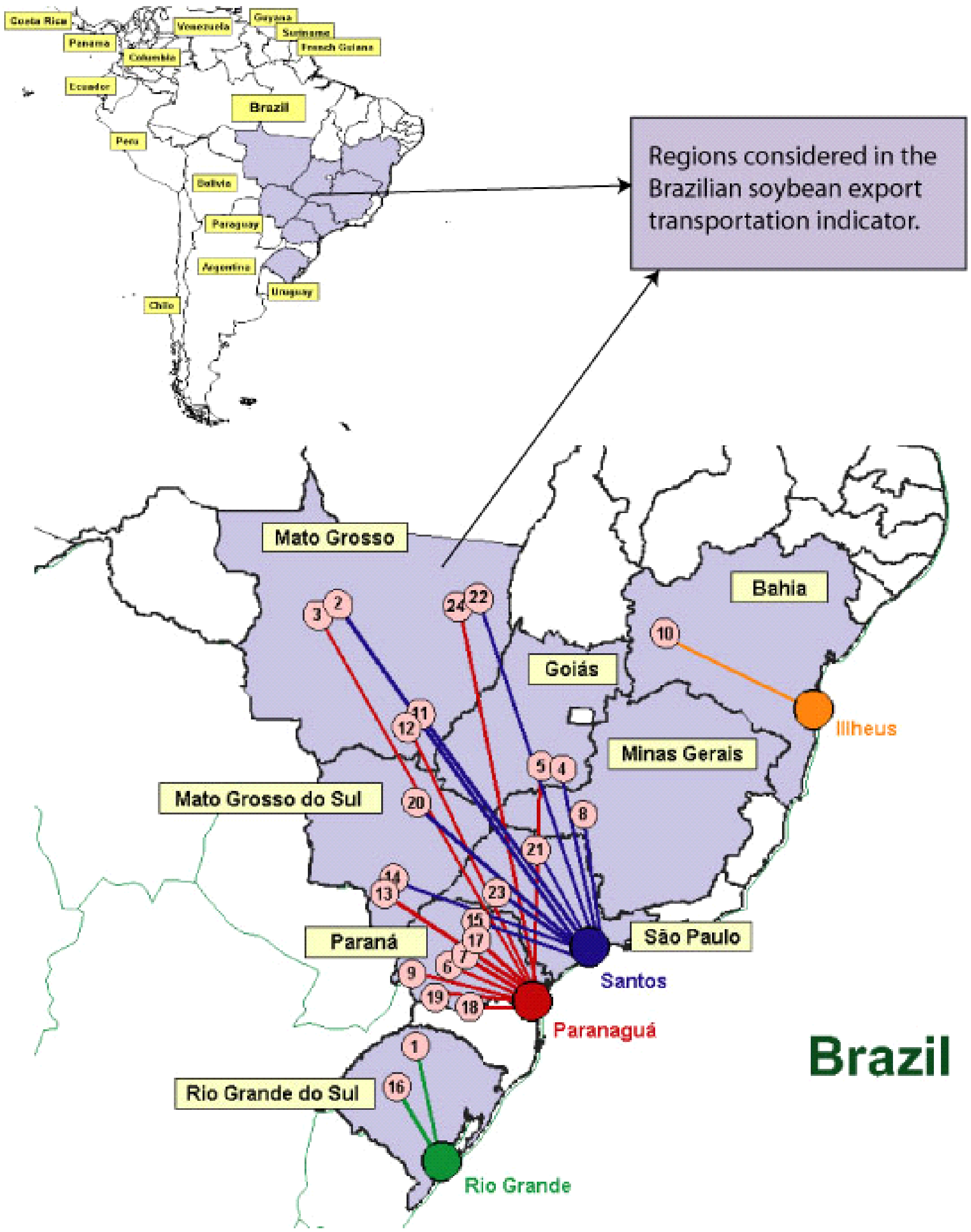


Source: Port Import Export Reporting Service (PIERS), *Journal of Commerce*

Note: PIERS data is available with a lag of approximately 40 days

Brazil Transportation

Figure 15
Routes and Regions considered in the Brazilian soybean export transportation indicator[1]



[1]Regions comprised 84 percent of Brazilian soybean production, 2003
Source: ESALQ/USP (University of São Paulo, Brazil) and USDA/AMS

Table 18--Truck rates for selected Brazilian soybean export transportation routes, 2nd quarter 2005

Route #	Origin[1] (reference city)	Destination	Distance (miles)[2]	Weight(%)[3]	Freight price (per 100 miles)[4]
1	Northwest RS[5](Cruz Alta)	Rio Grande	288	16.6	4.40
2	North MT(Sorriso)	Santos	1190	10.1	6.80
3	North MT(Sorriso)	Paranaguá	1262	9.5	6.27
4	South GO(Rio Verde)	Santos	587	7.0	6.83
5	South GO(Rio Verde)	Paranaguá	726	5.6	5.29
6	North Center PR(Londrina)	Paranaguá	268	4.4	8.51
7	Western Center PR(Mamborê)	Paranaguá	311	3.9	5.37
8	Triangle MG(Uberaba)	Santos	339	3.8	10.75
9	West PR(Assis Chateaubriand)	Paranaguá	377	3.7	5.16
10	West Extreme BA(São Desidério)	Ilhéus	544	3.6	7.14
11	Southeast MT(Primavera do Leste)	Santos	901	3.6	6.26
12	Southeast MT(Primavera do Leste)	Paranaguá	975	3.3	5.63
13	Southwest MS(Maracaju)	Paranaguá	612	3.1	6.07
14	Southwest MS(Maracaju)	Santos	652	2.9	6.31
15	West PR(Assis Chateaubriand)	Santos	550	2.5	5.68
16	Western Center RS(Tupanciretã)	Rio Grande	273	2.4	5.49
17	Southwest PR(Chopinzinho)	Paranaguá	291	2.3	5.73
18	Eastern Center PR(Castro)	Paranaguá	130	2.3	10.77
19	South Center PR(Guarapuava)	Paranaguá	204	2.1	7.95
20	North Center MS(São Gabriel do Oeste)	Santos	720	2.0	5.60
21	Ribeirão Preto SP(Guairá)	Santos	314	1.5	7.59
22	Northeast MT(Canarana)	Santos	950	1.4	7.26
23	Assis SP(Palmital)	Santos	285	1.2	7.74
24	Northeast MT(Canarana)	Paranaguá	1075	1.2	6.34
	Average		**626**	**100**	**6.33**

[1]Although each origin region comprises several cities, the main city is considered as a reference to establish the freight price

[2]Distance from the main city of the considered region to the mentioned ports

[3]The weight is directly proportional to the amount of production in each region

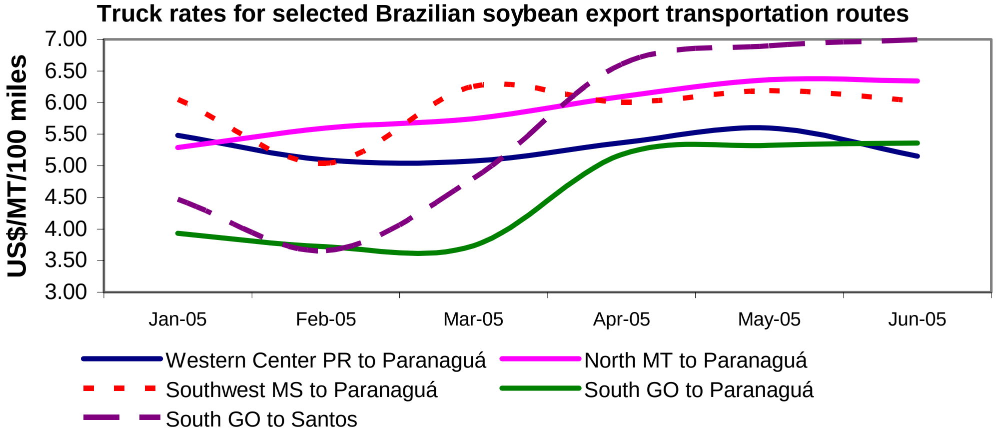
[4]US$ per metric ton (average monthly exchange rate from "Banco Central do Brasil" was used to convert Brazilian reais to the U.S. dollar)

[5]RS = Rio Grande Do Sul, MT= Mato Grosso, GO = Goiás, PR = Paraná, MG = Minas Gerais, BA = Bahia, MS = Mato Grosso Do Sul, SP = São Paulo

Source: ESALQ/USP (University of São Paulo, Brazil) and USDA/AMS

Figure 16

Truck rates for selected Brazilian soybean export transportation routes



Source: ESALQ/ USP (University of São Paulo, Brazil) and USDA/AMS

Table 19--Monthly Brazilian soybean export truck transportation cost index

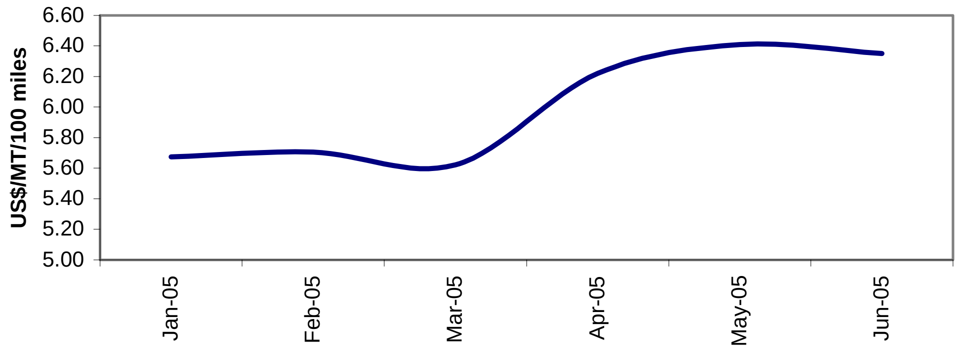
Month	Freight price* (per 100 miles)	Index variation (%) (Base: prior month)	Index value (Base: Jan. 05 = 100)
Jan. 05	5.67		100.00
Feb. 05	5.71	0.5	100.54
Mar. 05	5.62	-1.5	99.08
Apr. 05	6.22	10.6	109.61
May 05	6.41	3.1	112.96
Jun. 05	6.35	-0.9	111.90

*weighted average and quoted in US$ per metric ton

Source: ESALQ/USP (University of São Paulo, Brazil) and USDA/AMS

Figure 17

Brazilian soybean export truck transportation weighted average prices, 2005



Source: ESALQ/USP (University of São Paulo, Brazil) and USDA/AMS

Table 20--Quarterly ocean freight rates for shipping soybeans from selected Brazilian ports to Hamburg, Germany (US$/metric ton)*

Ports	2005 1st qtr	2005 2nd qtr
Santos	45.53	45.84
Paranagua	44.64	44.84**
Rio Grande	44.20	44.39

*correspond to the average actual values negotiated between shippers and carriers and weighted according to the magnitude of the shipped volumes

Source: Sistema de Informações de Fretes, SIFRECA, ESALQ/USP (University of São Paulo, Brazil)

**Revised figure

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Related Websites

Agricultural Container Indicators	http://www.ams.usda.gov/tmd2/agci/
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